State of Utah
GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Department of
Environmental Quality

Alan Matheson
Executive Director

DIVISION OF WATER QUALITY
Walter L. Baker, P.E.
Director

S.1037/0121
M/037/0026
Mike

JAN 19 2016

Ms. Andrea Reither
Senior Environmental Specialist
Energy Fuels
225 Union Blvd., Suite 600
Lakewood, CO 80228

Dear Ms. Reither:

Subject: Site Review and Inspection of the LaSal mine complex (Denison Mine's) located near La Sal, UPDES Permit No. UTR000829

I appreciated meeting with you and Race Fisher on December 02, 2015 for an inspection of your facility as referenced above. During the inspection, the SWPPP was reviewed and last updated in November 2010 and was determined to be complete. Although the mines are currently not in production, storm water controls are located throughout the facility including several detention ponds and berms to direct storm water on the property. Drainage ditches have also been installed to control storm water from coming in contact with raw product or industrial activities. See attached photos and inspection report. There were no deficiencies observed and no further action is required at this time. There also is a sixty day grace period for permit renewal starting January 01, 2016. You will be receiving an invoice shortly for the 2016 annual fee of $150.

If you have any questions concerning the report do not hesitate to contact me at (801) 536-4393. Thank you.

Sincerely,

Mike George, Environmental Scientist
Storm Water Section

Enclosures(3): 1. 3560 (DWQ-2016-001261)
2. Inspection report (DWQ-2016-001262)
3. Photos (DWQ-2016-001263)

cc: David Ariotti, DEQ District Engineer, w/encl.
Rick Meyer, Environmental Health Director, San Juan County Public Health Dept., w/enc.
Mike Bradley, Environmental Scientist, Division of Oil, Gas and Mining, w/encl.

DWQ-2016-001204

United States Environmental Protection Agency
Washington, D.C. 20460

Water Compliance Inspection Report

Section A: National Data System Coding *(i.e., ICIS)*

Transaction Code	UPDES	yr/mo/day	Inspection Type	Inspector	Fac. Type
N (1) 5 (2)	UTR0008291 (3–11)	151202 (12–17)	~ (18)	S (19)	2 (20)

Remarks (21–66): COMPLIANCE EVALUATION INSPECTION

Inspection Work Days	Facility Self-Monitoring Evaluation Rating	BI	QA	Reserved
1.5 (67–69)	5 (70)	N (71)	N (72)	(73–80)

Section B: Facility Data

Name and Location of Facility Inspected *(For industrial users discharging to POTW, also include POTW name and NPDES permit number)*

ENERGY FUELS RESOURCES USA, INC
LA SAL MINES (DENISON MINES)
SAN JUAN COUNTY 84530

Entry Time/ Date	Permit Effective Date
09:00 AM 12/02/2015	10/25/2010
Exit Time/ Date	**Permit Expiration Date**
12:30 PM 12/02/2015	12/31/2015

Name(s) of On-Site Representative(s)/Title(s)/Phone and Fax Number(s)

ANDREA RIETHER
SENIOR ENVIRONMENTAL SPECIALIST
303-974-2140

Other Facility Data *(e.g., SIC NAICS, and other descriptive information)*

SIC 1094

Name, Address of Responsible Official/Title/Phone and Fax Number

PHILIP BUCK
VICE PRESIDENT, MINING
303-389-4160

Contacted: [X] Yes [ ] No

Section C: Areas Evaluated During Inspection *(Check only those areas evaluated)*

X	Permit	X	Self Monitoring Program		Pretreatment		MS4
X	Records/Reports		Compliance Schedule	X	Pollution Prevention		
X	Facility Site Review		Laboratory	X	Storm Water		
	Effluent/Receiving Waters	X	Operations & Maintenance		Combined Sewer Overflow		
	Flow Measurement		Sludge Handling/Disposal		Sanitary Sewer Overflow		

Section D: Summary of Findings/Comments

(Attach additional sheets of narrative and checklists, including Single Event Violation codes, as necessary)

SEV Codes	SEV Description

Name(s) and Signature(s) of Inspector(s)	Agency/Office/Phone and Fax Number(s)	Date
MIKE GEORGE, ENVIRONMENTAL SCIENTIST	DIVISION OF WATER QUALITY (801) 536-4393	1-15-16
Name and Signature of Management Q A Reviewer JEFF STUDENKA, MANAGER UPDES STORM WATER SECTION	Agency/Office/Phone and Fax Number(s) DIVISION OF WATER QUALITY (801) 536-4395	Date 1-19-2016

INSTRUCTIONS

Section A: National Data System Coding *(i.e., ICIS)*

Column 1: Transaction Code: Use N, C, or D for New, Change, or Delete. All inspections will be *new* unless there is an error in the data entered.

Columns 3-11: NPDES Permit No. Enter the facility's NPDES permit number - third character in permit number indicates permit type for U=unpermitted, G=general permit, etc. *(Use the Remarks columns to record the State permit number, if necessary.)*

Columns 12-17: Inspection Date. Insert the date entry was made into the facility. Use the year/month/day format (e.g., 04/10/01 = October 01, 2004).

Column 18: Inspection Type*. Use one of the codes listed below to describe the type of inspection:

A	Performance Audit	X	Toxics Inspection	6	IU Non-Sampling Inspection with Pretreatment
B	Compliance Biomonitoring	Z	Sludge - Biosolids	7	IU Toxics with Pretreatment
C	Compliance Evaluation (non-sampling)	#	Combined Sewer Overflow-Sampling	!	Pretreatment Compliance (Oversight)@ Follow-up (enforcement)
D	Diagnostic	$	Combined Sewer Overflow-Non-Sampling	{	Storm Water-Construction-Sampling
F	Pretreatment (Follow-up)	+	Sanitary Sewer Overflow-Sampling	}	Storm Water-Construction-Non-Sampling
G	Pretreatment (Audit)	&	Sanitary Sewer Overflow-Non-Sampling	:	Storm Water-Non-Construction-Sampling
I	Industrial User (IU) Inspection	\	CAFO-Sampling	~	Storm Water-Non-Construction-Non-Sampling
J	Complaints	=	CAFO-Non-Sampling	<	Storm Water-MS4-Sampling
M	Multimedia	2	IU Sampling Inspection	-	Storm Water-MS4-Non-Sampling
N	Spill	3	IU Non-Sampling Inspection	>	Storm Water-MS4-Audit
O	Compliance Evaluation (Oversight)	4	IU Toxics Inspection		
P	Pretreatment Compliance Inspection	5	IU Sampling Inspection with Pretreatment		
R	Reconnaissance				
S	Compliance Sampling				
U	IU Inspection with Pretreatment Audit				

Column 19: Inspector Code. Use one of the codes listed below to describe the *lead agency* in the inspection.

A-	State (Contractor)	O-	Other Inspectors, Federal/EPA (Specify in Remarks columns)
B-	EPA (Contractor)	P-	Other Inspectors, State (Specify in Remarks columns)
E-	Corps of Engineers	R-	EPA Regional Inspector
J-	Joint EPA/State Inspectors—EPA Lead	S-	State Inspector
L-	Local Health Department (State)	T-	Joint State/EPA Inspectors—State lea
N-	NEIC Inspectors		

Column 20: Facility Type. Use one of the codes below to describe the facility.

1- Municipal. Publicly Owned Treatment Works (POTWs) with 1987 Standard Industrial Code (SIC) 4952.

2- Industrial. Other than municipal, agricultural, and Federal facilities.

3- Agricultural. Facilities classified with 1987 SIC 0111 to 0971.

4- Federal. Facilities identified as Federal by the EPA Regional Office.

5- Oil & Gas. Facilities classified with 1987 SIC 1311 to 1389.

Columns 21-66: Remarks. These columns are reserved for remarks at the discretion of the Region.

Columns 67-69: Inspection Work Days. Estimate the total work effort (to the nearest 0.1 work day), up to 99.9 days, that were used to complete the inspection and submit a QA reviewed report of findings. This estimate includes the accumulative effort of all participating inspectors; any effort for laboratory analyses, testing, and remote sensing; and the billed payroll time for travel and pre and post inspection preparation. This estimate does not require detailed documentation.

Column 70: Facility Evaluation Rating. Use information gathered during the inspection (regardless of inspection type) to evaluate the quality of the facility self-monitoring program. Grade the program using a scale of 1 to 5 with a score of 5 being used for very reliable self-monitoring programs, 3 being satisfactory, and 1 being used for very unreliable programs.

Column 71: Biomonitoring Information. Enter D for static testing. Enter F for flow through testing. Enter N for no biomonitoring.

Column 72: Quality Assurance Data Inspection. Enter Q if the inspection was conducted as follow-up on quality assurance sample results. Enter N otherwise.

Columns 73-80: These columns are reserved for regionally defined information.

Section B: Facility Data

This section is self-explanatory except for "Other Facility Data," which may include new information not in the permit or PCS (e.g., new outfalls, names of receiving waters, new ownership, other updates to the record, SIC/NAICS Codes, Latitude/Longitude).

Section C: Areas Evaluated During Inspection

Check only those areas evaluated by marking the appropriate box. Use Section D and additional sheets as necessary. Support the findings, as necessary, in a brief narrative report. Use the headings given on the report form (e.g., Permit, Records/Reports) when discussing the areas evaluated during the inspection.

Section D: Summary of Findings/Comments

Briefly summarize the inspection findings. This summary should abstract the pertinent inspection findings, not replace the narrative report. Reference a list of attachments, such as completed checklists taken from the NPDES Compliance Inspection Manuals and pretreatment guidance documents, including effluent data when sampling has been done. Use extra sheets as necessary.

*Footnote: In addition to the inspection types listed above under column 18, a state may continue to use the following wet weather and CAFO inspection types until the state is brought into ICIS-NPDES: K: CAFO, V: SSO, Y: CSO, W: Storm Water 9: MS4. States may also use the new wet weather, CAFO and MS4 inspections types shown in column 18 of this form. The EPA regions are required to use the new wet weather, CAFO, and MS4 inspection types for inspections with an inspection date (DTIN) on or after July 1, 2005.

UPDES Storm Water
Industrial Inspection

Background Information

National Database Information	
Inspection Type	**W**
UPDES ID Number	UTR000829
Inspection Date	12/02/2015
Inspector Type	EPA **State** EPA Oversight

General	
Inspector Name	MIKE GEORGE
Telephone	801-536-4393
Entry Time	09:00 AM
Exit Time	12:30 PM

Facility Location Information				
Name/Location/ Mailing Address	ENERGY FUELS RESOURCES USA, INC. 225 UNOIN BLVD., SUITE 600 LAKEWOOD, CO 802228			
GPS Coordinates	Latitude	38 18 34.79	Longitude	109 14 5.03
Receiving Water(s)	COYOTE WASH			
MS4's	N/A			

Contact Information		
	Name	Telephone
Owner/Permittee	ENERGY FUELS	303-389-4133
Operator	DENISON MINES (USA)	
Co-Permittee	N/A	
Facility Contact & Title	ANDRA REITHER SENOIR ENVIRONMENTAL SPECIALIST RACE FISHER MINE MANAGER	303-389-4133 435-686-9999
Authorized Official(s)	PHILLIP BUCK	303-628-7798

Site Information:	
Industrial Activity	URANIUM MINING
SIC Code(s)	1094

UPDES Storm Water
Industrial Inspection

Basic Permit Information *(circle one)*		
Permit Coverage	**Y**	N
Permit Type	**General**	Individual
Copy of NOI on site?	**Y**	N
NOI Date	OCTOBER 25, 2010	

Basic SWPPP Information		
SWPPP on site	**Y**	N
SWPPP Satisfactory*	**Y**	N
SWPPP Implementation Satisfactory	**Y**	N

*A Satisfactory SWPPP must be both current and complete (see pages 4, 5, and 6 of this checklist).

General	
Industrial Activity	*(describe principal product, production rate, potential pollutants, areas exposed to precipitation, direction of storm water flow)* UNDERGROUND URANIUM MINES
	(*describe age and size of facility, number of employees, hours of operation*) LOCATED IN AND AROUND LA SAL, UTAH DEVELOPED IN THE EARLY 1960'S

SWPPP Implementation *(complete in field)*

Storm Water Controls	
List the structural and non-structural controls employed by the facility.	*(provide a brief description of each)* **STRUCTURAL;** EARTHEN DAMS, , DETENTION BASINS, AND BURMS THAT DIVERT STORM WATER TO SEVERAL DETENTION BASINS. **NON:** EMPLOYEE TRAINING, HOUSEKEEPING, INSPECTIONS INCLUDING ANNUAL COMPREHENSIVE EVALUATIONS, AND SPILL PREVENTION .
Are the controls reasonable and installed correctly and maintained?	*(indicate "yes" or "no", or if not appropriate, explain)* **YES**

UPDES Storm Water
Industrial Inspection

SWPPP Implementation *(continued)*

Storm Water Controls (continued)	
Provide a brief description of other controls that manage/prevent/ minimize storm water runoff.	*(e.g., erosion and sediment controls, exposure minimization, diversion structures, pollution prevention, inlet protection/control at storm drains)* EARTHEN DAMS AND BERMS ARE USED FOR EROSION AND SEDIMENT CONTOL ON THE MINE SITES. SEVERAL DETENTION BASINS WERE OBSEVED AT ALL THE MINE SITES.

Miscellaneous	
Any evidence of discharge to receiving waters?	*(e.g., storm water runoff, dry weather discharge, co-mingling of process waste water* NO
Do the storm water outfalls on site correspond with those listed on the site map and in SWPPP?	*(indicate "yes" or "no", or if not appropriate, explain)* ALL STORM WATER IS MANAGED WITH DIVERSION DITCHES AND CAN HANDLE 100 YEAR, 24 HOUR STORMS.

SWPPP Review *(can be completed in office)*

General			Notes:
Is a copy of the SWPPP on site?	Y	N	SWPPP WAS UPDATED NOVEMBER, 2010
Did all "operators" and co-permittees sign the SWPPP?	Y	N	
Did the signatures include the certification statement?	Y	N	

UPDES Storm Water
Industrial Inspection

Were the signatories authorized to sign?	Y	N	
Is an individual/team responsible for developing/implementing SWPPP identified (e.g., pollution prevention team)?	Y	N	POLLUTION PREVENTION TEAM IS LISTED ON PAGE 2 OF THE SWPPP.
Are employee training records regarding storm water pollution prevention topics included in SWPPP?	Y	N	CONDUCTED AT LEAST ANNUALLY FOR ALL EMPLOYEES

Site Map			Notes:
Is there a site map?	Y	N	
Drainage patterns/ outfalls?	Y	N	
Identification of types of pollutants?	Y	N	
Location of major structural controls used to reduce pollutants in runoff?	Y	N	
Name of receiving water(s) or MS4's listed?	Y	N	COYOTE WASH
Is receiving water a tributary to waters of the U.S. (if "yes" indicate name of tributary)?	Y	N	EAST AND WEST COYOTE WASH AND SEVERAL UNNAMEDWASH DRAINS
Location of significant materials exposed to storm water?	Y	N	MATERIALS ARE DETAILED FOR ALL THE MINE SITES IN THE SWPPP.
Locations of major spills occurring within 3 years from date of NOI?	Y	N	NO SPILLS WERE LISTED ON THE SITE MAP
Location of fueling, maintenance, loading and unloading, material storage, waste disposal?	Y	N	.CURRENTLY NO FUEL IN STORED AT THE BEAVER SHAFT SITE BUT IS COVERED

SWPPP Review (*continued*)

Summary of Potential Pollutant Sources			Notes:
Description of activities, materials, features of site with potential to contribute significant amounts of pollutants to storm water?	Y	N	

Significant Spills & Leaks			Notes:
List of significant spills and leaks over 3 year time period, description of response taken, and actions to prevent similar spills in the future?	Y	N	FACILITY DID NOT REPORT ANY SIGNNIFICANT SPILLS OR LEAKS OVER THE LAST THREE YEARS. FACILITY DOES HAVE AN SPCC PLAN

UPDES Storm Water Industrial Inspection

Storm Water Controls			Notes:
Does the SWPPP describe the *non-structural* controls and structural controls that will be used to prevent/reduce discharge of pollutants in storm water runoff?	Y	N	GOOD HOUSEKEEPING, WASTE DISPOSAL, INSPECTIONS, EMPLOYEE TRAINING, PREVENTIVE MAINTENANCE, INSPECTIONS AND INVENTORY OF EXPOSED MATERIALS
Does the SWPPP describe other controls that will be used to prevent/reduce off-site tracking or blowing of sediment, dust and raw, final or waste materials, or other solid materials and floating debris?	Y	N	WATER IS APPLIED TO DIRT ROAD SURFACES AS NEEDED
Does the SWPPP incorporate the 8 baseline controls (good housekeeping, minimizing exposure, PM, spill prevention/response procedures, routine inspections and comprehensive site evaluations, employee training, sediment and erosion control, runoff management)?	Y	N	
Does the SWPPP contain completed routine inspection reports/logs regarding reportable implementation of 8 baseline controls?	Y	N	INSPECTIONS ARE PERFORMED AT LEAST QUARTERLY.
Does the SWPPP describe the pollutant or activity to be controlled by each selected control and provide an implementation schedule?	Y	N	POTENTIAL POLLUTANT SOURCES ARE CONTAINED FROM THE MINE AREA AND COLLECTED IN DETENTION AND RETENTION PONDS.

SWPPP Review (*continued*)

Non-Storm Water Discharges			Notes:
Certification that facility has been tested for non-storm water discharges from the site?	Y	N	EVALUATED IN NOVEMBER 2010
Description of testing method, drainage points, observed results, and date of test?	Y	N	VISUAL TEST

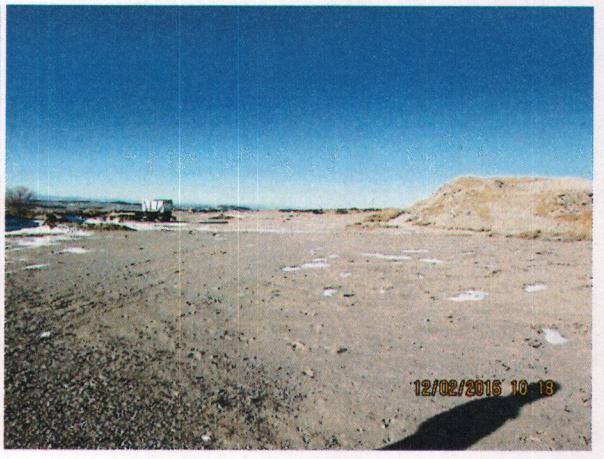
Monitoring			Notes:
Are samples collected within 30 minutes of measurable weather events occurring 72 hours after previous measurable weather event?	Y	N	

UPDES Storm Water
Industrial Inspection

	Photograph Log
1.	BEAVER SHAFT
2.	BEAVER SHAFT
3.	BEAVER SHAFT BERM
4.	BEAVER SHAFT BERM
5.	VENT SHAFT
6.	OFFICE ENTRANCE
7.	BEAVER SHAFT YARD
8.	BEAVER SHAFT YARD
9.	FUELING AREA (EMPTY)
10..	LASAL PORTAL
11.	VENT SHAFT
12.	MINE ENTRANCE
13.	MINE ENTRANCE
14.	WAST ROCK PILE-NOT DIVERSION TRENCH
15.	SAME AS 14
16.	PANDORA DETENTION BASIN
17.	PANDORA PORTAL
18.	PANDORA DETENTION BASIN
19.	
20.	
21.	
22.	
23.	
24.	
25.	

La Sal Mines

1. Beaver Shaft



2. Beaver Shaft

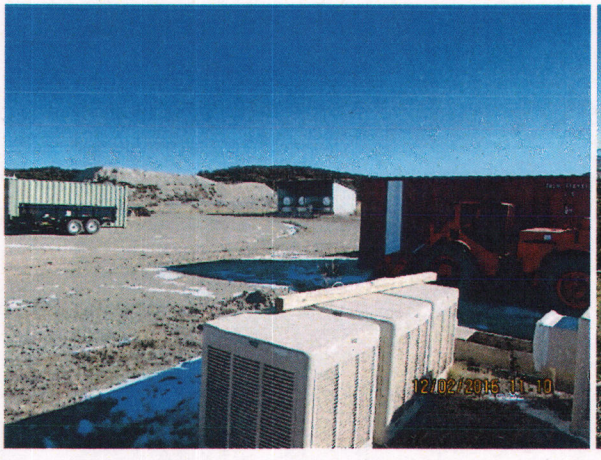
3 Beaver Shaft Berm

4. Beaver Shaft Berm

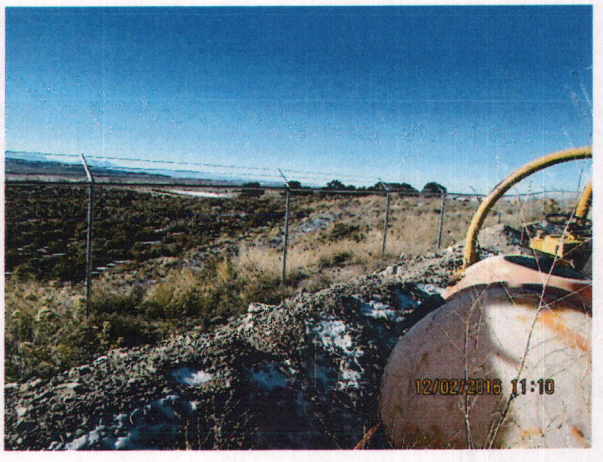
La Sal Mines

5. Vent Shaft

6. Office Entrance

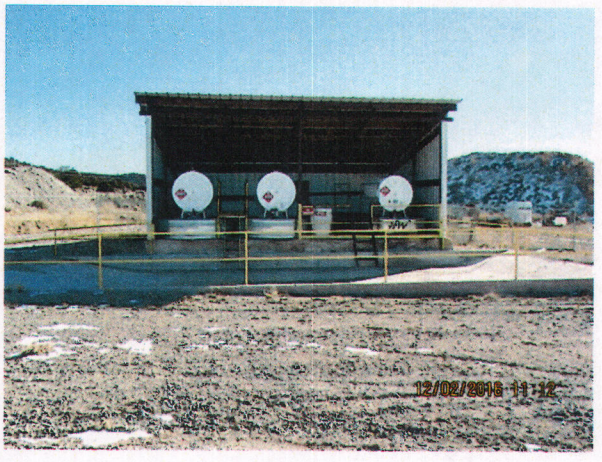


7. Beaver Shaft Yard



8. Beaver Shaft Yard

La Sal Mines



9. Fueling Area (Empty)

10. LaSal Portal

11. Vent Shaft

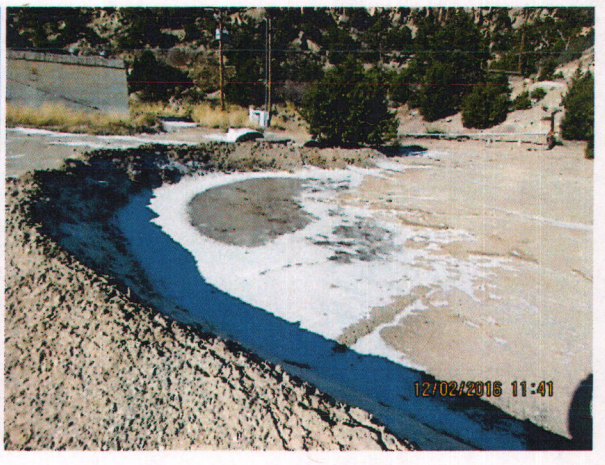
12. Mine Entrance

La Sal Mines

13. Mine Entrance

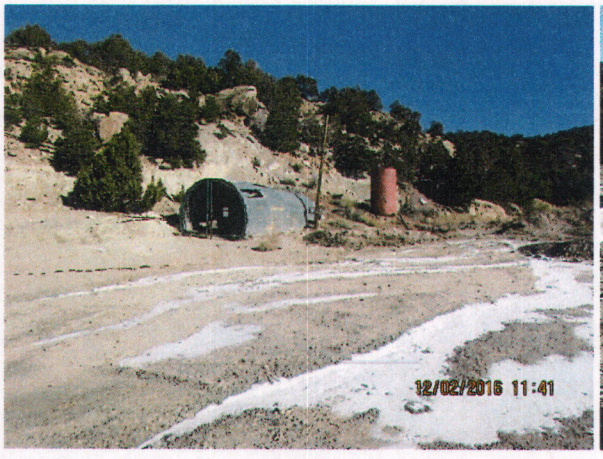
14. Waste rock pile-note diversion trench

15. Same as 14



16. Pandora detention basin

La Sal Mines



17. Pandora Portal

18. Pandora Detention Basin